



2008-23

January 10, 2008

RECEIVED
JAN 14 2008
PUBLIC SERVICE
COMMISSION

Public Service Commission
Executive Director
P.O. Box 615
Frankfort, KY 40602-0615

RE: Purchase Water Adjustment for Judy Water Association

Dear Executive Director:

Judy Water Association has received notification from both its suppliers (Mt. Sterling Water and City of North Middletown) of increases to water rates. Please find enclosed 1 (one) original and 10 (ten) copies of the proper documentation to file for a purchase water adjustment.

Judy Water Association will publish notification in the newspaper before the first billing that reflects the new rates. All incomes sheets and balance statements are current and on file with the PSC.

If you might have any questions, I can be contacted at 859-498-4809.

Thank you,

A handwritten signature in black ink, appearing to read "Billy Ray Fawns", written over a horizontal line.

Billy Ray Fawns
Manager

2010 Maysville Road, PO Box 781, Mt. Sterling, KY 40353-0781
(859) 498-4809 Telephone & FAX
E-Mail - judyh20@adelphia.net

FOR Montgomery, Clark, Bourbon, and Bath _____
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Judy Water Association
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

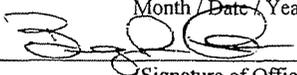
RATE SCHEDULE

<u>First 1,000 gallons</u>	<u>\$11.66 Minimum bill</u>
<u>Next 4,000 gallons</u>	<u>\$7.29 per 1,000 gallons</u>
<u>Next 5,000 gallons</u>	<u>\$6.39 per 1,000 gallons</u>
<u>Over 10,000 gallons</u>	<u>\$5.49 per 1,000 gallons</u>

Minimum bill for customers with surcharge for Bourbon County Waterline Extension Projects will be \$28.43.

DATE OF ISSUE 01-10-2008
Month / Date / Year

DATE EFFECTIVE 02-20-2008

ISSUED BY 
Month / Date / Year
(Signature of Officer)

TITLE Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

**PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)**

Name of Utility	JUDY WATER ASSOCIATION		
Date	01-10-2008		
Address	P.O. BOX 781		
City, State, Zip	MT. STERLING, KY	40353	
Telephone Number	859-498-4809		

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Supplier(s)	Base Rate	Changed Rate
MT. STERLING WATER	\$1.88 PER THOUSAND	\$2.07 PER THOUSAND
CITY OF NORTH MIDDLETOWN	\$2.33 PER THOUSAND (FIRST 2 MILLION) \$2.43 PER THOUSAND (OVER 2 MILLION)	\$2.78 PER THOUSAND (FIRST 2 MILLION) \$3.08 PER THOUSAND (OVER 2 MILLION)

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increases are attached as Exhibits A & B.

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	JANUARY 1, 2007	through	DECEMBER 31, 2007
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

OLD RATES YEAR 2007

MT. STERLING WATER:

108,565,300 AT \$1.88= \$204,102

CITY OF NORTH MIDDLETOWN:

24,000,000 AT \$2.33= \$55,920

21,735,000 AT \$2.43= \$52,816

TOTAL: \$312,838

NEW RATES

MT. STERLING WATER:

108,565,300 AT \$2.07= \$224,729

CITY OF NORTH MIDDLETOWN:

24,000,000 AT \$2.78= \$66,720

21,735,000 AT \$3.08= \$66,944

TOTAL: \$358,393

NEW RATE: \$358,393

OLD RATE: \$312,838

\$45,555

Supplier(s)		Gallons Purchased during 12 month period
MT. STERLING WATER		108,565,300 (\$1.88)
CITY OF NORTH MIDDLETOWN		24,000,000 (\$2.33)
CITY OF NORTH MIDDLETOWN		21,735,000 (\$2.43)
TOTAL PURCHASES		154,300,300
4. Total sales for the 12 month period	\$1,131,500	(144,668,270 GALLONS)
5. Increased water cost	\$45,555	
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.		
6. Purchased water adjustment factor	.31	
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.		
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>		
7. Proposed effective date	02-20-08	
		
BILLY RAY FAWNS		
MANAGER		
Title		

MT. STERLING WATER & SEWER SYSTEM

POST OFFICE BOX 392 – 300 EAST MAIN STREET
MOUNT STERLING, KENTUCKY 40353-0392

Date: December 18, 2007

To: All Mt. Sterling Water and Sewer System Wholesale Customers
Bath County Water
Judy Water Association
Levee Water Association
Montgomery County Water District #1
Reid Village Water
City of Jeffersonville

From: David Pearce, General Manager
Mt. Sterling Water and Sewer System

RE: New Wholesale Water Rate

Effective February 1, 2008, the wholesale water purchase rate will increase from the current \$1.88 / 1000 gallons to:

\$2.07 / 1000 gallons

This increase is in conjunction with a similar increase to our retail customer's base. Our "Cost of Service" study that was recently completed by the consulting firm of R. W. Beck, recommended a 12% increase to the rate structure. It is our intent (MSW&SS) to implement a lesser increase and to diligently review processes and expenses in order to continually make ends meet. I will be filing a new tariff with the Public Service Commission within the next several work days. Your March bill for February consumption will be the first billing to reflect this rate.

Please call if there are questions.

Respectfully,



David Pearce
General Manager

MT. STERLING WATER & SEWER SYSTEM

POST OFFICE BOX 392 – 300 EAST MAIN STREET
MOUNT STERLING, KENTUCKY 40353-0392

Rates Effective 2/1/2008

City Water Rates

First	748 gallons	\$5.62 minimum
Next	4488 gallons	\$3.62 per 1000 gallons
Next	19448 gallons	\$3.44 per 1000 gallons
Next	74800 gallons	\$2.78 per 1000 gallons
Over	99484 gallons	\$2.07 per 1000 gallons

Rates Effective 2/1/2008

County Water Rates

First	748 gallons	\$6.47 minimum
Next	4488 gallons	\$4.16 per 1000 gallons
Next	19448 gallons	\$3.95 per 1000 gallons
Next	74800 gallons	\$3.20 per 1000 gallons
Over	99484 gallons	\$2.37 per 1000 gallons

Rates Effective 2/1/2008

Wholesale Water Rate

\$2.07 per 1000 gallons

FOR _____
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

MT STERLING WATER & SEWER SYSTEM

(Name of Utility)

RATES AND CHARGES

12/18/07 EFFECTIVE FEBRUARY 1, 2008 (MARCH BILLINGS) THE WHOLESALE RATE
WILL CHANGE FROM \$1.88 TO:

\$2.07 / 1000 GALLONS

THE UTILITIES AFFECTED ARE:

- WORTH COUNTY WATER
- WINDY WATER
- WEEBEE WATER
- MONTGOMERY WATER DIST #1
- WIND VILLAGE WATER

APPROVED BY MT STERLING WATER AND SEWER SYSTEM
COMMISSION DECEMBER 17, 2007.

- ENCLOSED:
1. COPY OF NOTIFICATION LETTER MAILED THIS DATE 12/18/07 TO THE 5 UTILITIES
 2. COPY OF R.W. BECK COST OF SERVICE STUDY
 3. RATE SCHEDULE

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

FILE NO. _____ DATED _____

City of North Middletown

200 North Main Street
North Middletown, Kentucky 40357
Phone: (502) 932-7000 Fax: (502) 932-7000



December 6, 2007

Public Service Commission
Mail Branch
P.O. Box 615
Frankfort, Kentucky 40602-0615

Please let this letter serve as notice of rate changes for water that is sold to the Judy Water Association by our city. These changes are per the agreement between the City of North Middletown and the Judy Water Association, and due to the increase in rates charged to the City of North Middletown by the Kentucky-American Water Company that became effective December 1, 2007.

The current rates charged to the Judy Water Association are:

\$2.33 per thousand gallons for the first 70,000 gallons per day
\$2.43 per thousand gallons for all over 70,000 gallons per day

The new rates charged to the Judy Water Association will be:

\$2.78381 per thousand gallons for the first 70,000 gallons per day
\$3.08381 per thousand gallons for all over 70,000 gallons per day

The new rates will become effective immediately after the 30 day time frame set forth by your agency.

Enclosed is the Rates and Charges page supplied by your agency. If there are any questions they can be directed to myself or Betsy Frazier, City Clerk.

Sincerely,

Jeffrey D. McFarland, Mayor
City of North Middletown

enclosure

cc: Judy Water Association

Henry Watson, City Attorney - City of North Middletown

FOR City of North Middletown
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

City of North Middletown
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

Per agreement between the City of North Middletown and Judy Water Association,
the price charged to Judy Water Association due to increase from Kentucky American Water
shall be:

Water sold to Judy Water Association	up to 70,000 gallons per day	\$2.78381 per 1000 gallons
Water sold to Judy Water Association	over 70,000 gallons per day	\$3.08381 per 1000 gallons

DATE OF ISSUE December 6, 2007
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY Jeffrey D. McFarland (Jeffrey D. McFarland)
(Signature of Officer)

TITLE Mayor

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____